

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**OFFICE OF THE ATTORNEY GENERAL**  
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## **District E-book Purchasers to Receive More Than \$1.4 Million in Compensation from Apple and Publishers in Joint State-Federal Antitrust Action**

*New Distribution of Approximately \$880,000 Supplements Previous \$600,000*

**WASHINGTON, D. C.** – District residents who purchased electronic books (E-books) between April 1, 2010, and May 21, 2012, will begin receiving account credits or checks on Tuesday, June 21, 2016 as a result of a successful federal-state-District prosecution of Apple, Inc. for conspiring with major publishers to raise E-book prices in violation of antitrust laws. The distribution -- pursuant to a post-trial damages settlement with Apple -- includes District consumers' share of \$400 million in nationwide consumer compensation that the company paid after its request for review by the U.S. Supreme Court was denied.

Consumers in the District are expected to receive about \$880,000 from this distribution, in addition to about \$600,000 they received in March 2014 from settlements with the publishers.

**"Thanks to this prosecution, District consumers will be receiving restitution for the harmful effects of this Apple-led conspiracy. These types of conspiracies deny retail customers the benefits of free and open competition, and our office will continue to be vigilant in protecting consumers from market distortions like this one,"** Attorney General Karl A. Racine said.

In May 2012, the District, 31 states, and Puerto Rico filed suit against Apple and five major publishers, alleging a conspiracy to artificially inflate E-book prices. A similar case was filed by the United States Department of Justice. Following a trial, the U.S. District Court for the Southern District of New York ruled in July 2013 that Apple conspired with five major U.S. publishers – Penguin Group (USA), Inc. (now Penguin Random House); Holtzbrinck Publishers LLC d/b/a Macmillan; Hachette Book Group Inc.; HarperCollins Publishers LLC; and Simon & Schuster Inc. – to raise the retail prices of E-books. In June 2015, the U.S. Court of Appeals for the 2<sup>nd</sup>

Circuit affirmed that ruling. And in March 2016, the Supreme Court denied Apple's request to review the 2<sup>nd</sup> Circuit's decision. Under the terms of a contingent settlement agreement between the states and Apple, the Supreme Court's decision triggered Apple's obligation to pay \$400 million in compensation for consumers.

All five of the publishers settled prior to trial. They paid a total of about \$166 million in nationwide consumer compensation, most of which was received by consumers in the March 2014 distribution. The distribution that begins June 21 consists of the \$400 million Apple payment as well as funds left over from the publisher settlements.

**"I want to thank Assistant Attorney General Catherine Jackson of our Public Interest Division for her work to bring these funds home to District consumers,"** Attorney General Racine said.

The amounts to be received by individual consumers will be based on the number of E-books they purchased between April 1, 2010 and May 21, 2012. For each E-book that was a *New York Times* bestseller, a consumer will receive \$6.93. For any other E-book, the consumer will receive \$1.57.

Distribution of the consumer payments is scheduled to begin on June 21, 2016. Customers who purchased E-books through Amazon, Apple, Barnes & Noble, or Kobo will automatically receive credits in their accounts, unless they previously requested to receive checks. Customers receiving account credits should expect to receive emails between June 21 and 24, 2016, indicating that the credits are available in their accounts. Due to the large number of consumers affected, it will take a few days to fully load account credits, and some consumers may not see credits in their accounts until June 24, 2016. Credits can be used to purchase E-books or anything else sold by these retailers.

Customers who purchased E-books through Sony will automatically receive checks in the mail, and customers who purchased E-books through Google, or through other retailers not listed above, will receive checks in the mail if they filed timely claim forms in 2014.

A website and toll-free phone number are available for consumers with questions about this distribution. Visit [www.ebooklawsuits.com](http://www.ebooklawsuits.com) or call (866) 686-9333 for more information.

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